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Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

FEDERAL COMMUNICATIONS COMMISSION OFFICE OF THE SECRETARY

In the Matter of

Amendment of Part 13 of the
Rules to Privatize the
Administration of Examinations for
Commercial Radio Operator Licenses

)

To: The Commission

and to Clarify Certain Rules

REPLY COMMENTS OF THE INDUSTRIAL TELECOMMUNICATIONS ASSOCIATION, INC.

The Industrial Telecommunications Association, Inc. ("ITA"), pursuant to Section 1.415 of the Commission's Rules, 47 C.F.R. 1.415, hereby respectfully submits these Reply Comments in the above-referenced proceeding.

I. PRELIMINARY STATEMENT

1. The Industrial Telecommunications Association, formerly the Special Industrial Radio Service Association, Inc., is a non-profit association organized under the laws of the District of Columbia. ITA is the Commission's certified frequency coordinator for the Special Industrial Radio Service and the Industrial/Land Transportation 800/900 MHz frequency "pools." ITA also coordinates

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The <u>Notice of Proposed Rule Making</u> in this proceeding was adopted on August 21, 1992. Comments were due to be filed on or before November 2, 1992.

channels from the general access pool for those entities (a) eligible to become Industrial/Land Transportation licensees, (b) wishing to expand trunked systems, or (c) consolidating conventional systems into a trunked system. ITA coordinates in excess of 6,000 applications per year on behalf of applicants seeking Commission authority to operate radio stations on frequency assignments allocated to the Special Industrial Radio Service and the enumerated 800/900 MHz frequency "pools."

2. ITA enjoys the support of a membership that includes more than 9,000 licensed two-way land mobile radio communications users and the following trade associations:

Alliance of Motion Picture and Television Producers
American Mining Congress
Associated Builders & Contractors, Inc.
Florida Citrus Processors Association
Florida Fruit & Vegetable Association
National Aggregates Association
National Agricultural Aviation Association
National Food Processors Association
National Propane Gas Association
National Propane Gas Association
National Ready-Mixed Concrete Association
National Utility Contractors Association
New England Fuel Institute
United States Telephone Association

II. BACKGROUND

3. In this proceeding, the Commission has asked for comment on the selection criteria and applicable constraints which should govern the privatization of commercial radio operator examinations. The underlying Notice of Proposed Rule Making ("Notice") expresses concern that budgetary constraints have sharply limited the

Commission's ability to offer examinations on a frequent basis and at sufficient locations to adequately serve the needs of the public. The Commission expects that the use of private organizations to conduct the examinations will help to streamline the examination process and result in a more responsive service to the public.

4. A number of entities filed comments in response to the Commission's <u>Notice</u>. These commenters offered suggestions on the number of examining entities that should be selected, the criteria which the Commission should apply when selecting examining entities, the extent and nature of the control which the Commission should exercise over the examination process, and the appropriate number of examination sites which an examining entity should make available.

III. REPLY COMMENTS

5. A number of commenters have taken the position that the Commission should designate more than one entity to conduct the commercial radio operator examinations. ITA wholeheartedly supports this view. There would seem to be little benefit to be gained by confining the examining process to one entity. Clearly, offering the public the opportunity for a reasonable diversity of choices in examining entities will serve the public interest. The selection of multiple examining entities will provide incentive for

the examiners to offer a service which caters to the needs of the public.

- of ITA sees little benefit in arbitrarily limiting the number of examining entities to be selected. Not all of the entities interested in offering this service will be able to satisfy the demand for examinations in all areas of the country. Further, not all of the interested entities will necessarily be capable of offering a service that proves to be viable over the long term. ITA firmly believes that, in this case, the public will be better served if the Commission permits all interested qualified entities to engage in offering examinations.
- 7. ITA is concerned with proposals, such as that advanced by the National Association of Business and Educational Radio, Inc. ("NABER"), that would impose a finite limit on the number of examining entities selected. If the Commission were to choose only five examining entities, for example, there would be no assurances that the needs of the public would be adequately served. Some examining entities may choose, for reasons that are entirely proper, not to offer examinations in all of the major population centers. Other examining entities may not be able to operate a commercially viable service or may simply make a business decision at some point in the future to cease offering the service.
- 8. From ITA's perspective, if the Commission elects to limit the number of examining entities, then it would be under a

considerable burden to ensure that the selection decisions it makes are correct. The Commission would have to take great care to select examiners who are both capable of offering the service over the long term and offering the service in a manner that truly satisfies the public demand. If, on the other hand, the Commission sanctions all of the organizations who are interested in offering the service and who appear to be qualified, the public will ultimately be responsible for determining the success or failure of the competing examiners. ITA believes it is appropriate to leave this decision to the wisdom of the marketplace.

- 9. In a related matter, ITA does not believe that it serves the public interest to insist that examining entities be capable of offering their service in specific locations or in a minimum number of locations. ITA does agree with NABER and other commenters that the Commission should require interested entities to demonstrate that they have prior experience in offering examinations or, alternatively, have assembled a staff that possesses sufficient expertise in the field. However, in ITA's view, the Commission should not use the number of examination locations which an entity proposes to establish as an indicia of that entity's qualifications to offer examinations.
- 10. There is no direct correlation between the number of examination locations offered by an examining entity and the quality of the service to be offered. To the contrary, it may be that requiring examining entities to operate examination centers

in, for example, a minimum of forty locations would be counterproductive. Organizations facing a requirement to offer examinations in all major cities may end up spreading their available resources severely, thereby reducing the quality of the service or the frequency of the available examination dates.

11. ITA's suggested approach is for the Commission to sanction all of those entities who express an interest in offering commercial radio operator examinations and who appear to be qualified, even those choosing to offer service on less than a nationwide basis. Entities who desire to focus on establishing a quality examination service on a regional, rather than national, basis should not be disadvantaged or precluded from participating in the examination process.

IV. CONCLUSION

12. ITA urges the Commission not to impose an arbitrary limit on the number of entities ultimately selected to offer examinations to the public. ITA believes that all interested parties will have some positive contributions to make to the examination process and that the Commission should permit the organizational strengths of each interested entity to determine whether they succeed or fail in this endeavor. For similar reasons, ITA also urges the Commission not to base its selection of examiners on a predefined minimum number of examination locations. Some of the best potential examining entities may be those whose operations are best suited to

offering examinations on less than a nationwide basis.

WHEREFORE, THE PREMISES CONSIDERED, the Industrial Telecommunications Association, Inc. respectfully submits these Reply Comments and urges the Federal Communications Commission to act in accordance with the views expressed herein.

INDUSTRIAL TELECOMMUNICATIONS ASSOCIATION, INC.

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Dated: November 17, 1992